



# ROLE OF ECONOMIC ENVIRONMENT IN ENTREPRENEURSHIP DEVELOPMENT

Dr. Anita Dikshit<sup>1</sup>, Dr. Preeti Kanasara<sup>2</sup>

<sup>1</sup> Asst. Prof. (Economics) Govt. D. B. Girls P.G. College, Raipur.

<sup>2</sup> Asst. Prof. (Economics) Govt. D. B. Girls P.G. College, Raipur.

## INTRODUCTION

Economic environment has great importance in entrepreneurship development. The success of any business mainly depends on the economic environment. The contribution of economic environment to entrepreneurship development is as follows-

1. Industrial policies in our country are announced by the government which explains the policies of the government announced for the development of industries.
2. The government has permitted foreign direct investment for all industries except a small negative list under the foreign policy. As a result, industries are developing.
3. In order to strengthen the capital market for the development of industries, several fiscal incentives have been announced from time to time by the Central Government under its budget announced every year, which also helps entrepreneurs in raising capital.
4. The license system has been adopted by the government under the industrial policies for industrial development, through which the government is controlling the increase in the capacity of setting up new industries.
5. Entrepreneurs or adventurers are part of a society. The environment or environment in which the entrepreneur lives, he has to establish his business in the same and his business is affected by the environment.

Along with this, the entrepreneur shall have to find opportunities for himself in this environment. Therefore, environmental information is important for the entrepreneur. Its importance can be explained in the following ways.

### 1. In Searching for Opportunities:

Opportunities roam around in the open environment. Studying the environment is essential for an entrepreneur in searching for a profitable opportunity. The environmental information is of foremost importance for the entrepreneur.

### 2. In survival:

To maintain existence - In the changing situation, it is necessary for the entrepreneur to take care of each and every aspect of the environment in order to maintain his existence. This is the second importance of the environment for the entrepreneur

### 3. In achieving success:

who does not want to get success today. Similarly, the courageous also want to achieve success. For this, the environment is closely studied while saving the adventurer's existence. This is the third importance of the environment for the entrepreneur.

### 4. Self-adjustment:

Changes keep on happening in the environment every day. For this the adventurer should change himself according to the environment. Only then can he take advantage. For this a detailed study of the environment is necessary. This is the fourth important importance of the environment for the entrepreneur.

### 5. Protection of environment:

Protection of environment is an important point for an entrepreneur. Since entrepreneurs are an important part of the society he has to do his business after understanding this environment and spends his life on the profit he earns from it. In this way, protection of the environment is an important duty for the entrepreneur. If the social and economic environment is good and pleasant, then the working efficiency of the entrepreneur increases.

The feeling of social togetherness develops economic and mental development. Similarly, even if the weather is favourable, the work efficiency increases. If seen, in UP, Bihar etc. summer, rain, and winter etc. every season goes to its intensity, as a result after a time it becomes difficult to work, walk on the road, go out in the open in today's summer. Man keeps waiting for the weather to be

favourable. If it rains too much, the flood turns water on the earth. Human beings, society and nature all cooperate in development.

The sum total of the physical and cultural conditions that surround human beings and affect them is called 'Environment'. There has been an unbreakable relationship between man and nature since the beginning of time. Nature has played an important role in the development of civilization. In the initial stage of development, any living being or human first tries to adapt with the nature, after that it gradually tries to change nature.

But in this course of its development, the increasing materialistic ambitions of man have brought about so much change in the environment that the balance between man and nature, which is the basis of life on earth, has reached the verge of collapse. At the same time, the short-sighted development processes of human beings have taken a destructive form. It was realized in the decade of 1970s that the present trend of development is unbalanced and the reaction of environment can convert it into destructive development.

The United Nations expressed serious concern over environmental imbalance in a May 1969 report, 'For the first time in the history of mankind, a worldwide crisis of environmental imbalance is arising. Unlimited increase in human population, capable of environmental needs and danger of increasing development of plant life - all these are its symptoms. If this current trend continues then life on earth may be in danger.

## REFERENCES

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